



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2017 Biennium

<b>Bill #</b>	SB0390	<b>Title:</b>	Study fees charged relating to boards
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<b>Primary Sponsor:</b>	Arntzen, Elsie	<b>Status:</b>	As Amended
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2  | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<b>Expenditures:</b>				
General Fund	\$4,200	\$2,800	\$0	\$0
State Special Revenue	\$8,960	\$5,973	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$4,200)</u>	<u>(\$2,800)</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** SB 390, as amended, requires the Economic Affairs Interim Committee (EAIC) to conduct a study of fees charged by the Department of Labor and Industry (DLI) to licensing boards and fees set by boards in licensing individuals or businesses as required by statute. The complete fiscal impact of this study is unknown; however the Legislative Branch was appropriated \$7,000 general fund for use by the EAIC for the study of boards and licensing fees.

### FISCAL ANALYSIS

#### Assumptions:

#### **Legislative Services Division (LSD)**

- Section 1 of SB 390 requires the economic affairs committee to conduct a study of fees charged by the department of labor and industry to licensing boards.
- Section 2 of SB 390, as amended, provides a general fund appropriation to the Legislative Branch in the amount of \$7,000, to be used for any additional meetings that may be needed to accomplish the requirements of this bill.
- It is assumed that an additional two one-day meetings would be necessary for the Economic Affairs Interim Committee to accomplish these requirements

4. The Economic Affairs Interim Committee, as established in 5-5-223, MCA, is comprised of eight legislative members who are compensated as provided in 5-2-302, MCA.
5. It is estimated that the total cost of compensation and travel expenses for two additional one-day meetings is \$4,200 in FY 2016 and \$2,800 in FY 2017.
6. SB 390, as amended, is one of several bills seeking to add to the duties of interim and administrative committees. The fiscal note for each bill is prepared based on the effect of the individual bill. However, when viewed as a package, the cumulative effect of passage of more than one bill will require additional analysis and may require additional resources.

**Department of Labor & Industry (DLI)**

7. In past EAIC studies, the boards selected were required to provide information and report to the committee. Some boards were also asked to have members testify at the committee hearings. Executive officers for the boards, the division administrator, division bureau chiefs, and the division fiscal officer, all had additional work load as a result of the study. Some overtime did occur in order to provide the data and reports requested; other work was postponed in order to provide the information in a timely manner and meet deadlines. Based on past history, it is estimated that for each board reviewed, there will be a minimum additional workload of 40 hours per board. As this work would be completed by existing staff, total costs to the board would not increase, however, administrative costs for the boards being studied would increase, which would decrease the appropriation those boards had available for direct charges, such as trainings or compliance.
8. Although it is unknown how many boards will be reviewed each year or the extent of the review, DLI will base the fiscal impact to the department on the assumption used by the LSD of two one-day meetings each biennium and assume 27 board members would attend each meeting.
9. Per diem to board members to attend a meeting is estimated to be \$2,700. Any time spent gathering information or meeting outside of the EAIC meeting to prepare would be additional per diem costs to the board.
10. Total travel costs for 27 board members to attend two extra meetings in person and/or provide testimony to the committee, are estimated to be \$12,233 including lodging, meals, and mileage.
11. Estimated total costs, not including additional personal service costs are \$14,933 in the 2017 biennium.
12. Biennial costs are split 60% - 40% between years.

	<b><u>FY 2016</u></b> <b><u>Difference</u></b>	<b><u>FY 2017</u></b> <b><u>Difference</u></b>	<b><u>FY 2018</u></b> <b><u>Difference</u></b>	<b><u>FY 2019</u></b> <b><u>Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Personal Services (LSD)	\$1,418	\$946	\$0	\$0
Operating Expenses (LSD)	\$2,782	\$1,854	\$0	\$0
Personal Services (DLI)	\$1,620	\$1,080	\$0	\$0
Operating Expenses (DLI)	\$7,340	\$4,893	\$0	\$0
Transfers	\$0	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$13,160</b>	<b>\$8,773</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$4,200	\$2,800	\$0	\$0
State Special Revenue (02)	\$8,960	\$5,973	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<b>\$13,160</b>	<b>\$8,773</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$4,200)	(\$2,800)	\$0	\$0
State Special Revenue (02)	(\$8,960)	(\$5,973)	\$0	\$0

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*